

AMENDED IN ASSEMBLY APRIL 4, 2001

AMENDED IN ASSEMBLY FEBRUARY 16, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 11

Introduced by Assembly Member Rod Pacheco

January 22, 2001

~~An act to repeal Article 10 (commencing with Section 890) of Chapter 4 of Part 1 of Division 1 of the Public Utilities Code, and to repeal Part 19 (commencing with Section 40001) of Division 2 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy. An act to add Section 332 to the Public Utilities Code, relating to public utilities.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 11, as amended, Rod Pacheco. ~~Taxation: natural gas consumption surcharge: electric energy surcharge Public Utilities Commission: rates.~~

~~(1) Existing law requires the Public Utilities Commission to establish a surcharge on all natural gas consumed in this state to fund certain low-income assistance programs, cost-effective energy efficiency and conservation activities, and public interest research and development. The bill would authorize the Public Utilities Commission to fix just and reasonable rates for all public utilities under its jurisdiction.~~

~~This bill would repeal those provisions the rate increase approved by the commission on March 27, 2001, in Decision 01-03-081, and make an electrical corporation's retail rate, on and after that date, the rate that was in effect on March 26, 2001. The bill would provide that~~

the commission shall no longer have the authority to increase electric rates more than 7% in a calendar year. The bill would, instead, authorize the commission to recommend a rate increase to the Legislature for its approval in a bill.

(2) Under the Energy Surcharge Law, a surcharge is imposed on the consumption in this state of electric energy at a fixed rate.

This bill would repeal those provisions.

(3) This bill would declare the intent of the Legislature that all programs funded by the surcharge on the consumption of natural gas, and by the surcharge on the consumption of electric energy, be funded from the General Fund pursuant to the annual Budget Act.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Article 10 (commencing with Section 890) of~~
2 ~~SECTION 1. Section 332 is added to the Public Utilities Code,~~
3 ~~to read:~~

4 332. (a) *On the date that the act adding this section takes*
5 *effect, the rate increase approved by the commission on March 27,*
6 *2001, in Decision 01-03-081, shall no longer be in effect, and,*
7 *except as provided in subdivision (b), on and after the date*
8 *described in this subdivision, an electrical corporations's retail*
9 *rate shall be the rate that was in effect on March 26, 2001.*

10 (b) *Notwithstanding any other provision of law, the commission*
11 *shall no longer have the authority to increase electric rates more*
12 *than a total of 7 percent in a calendar year. The commission may*
13 *recommend a rate increase that would exceed that total to the*
14 *Legislature for its approval in a bill.*

15 ~~Chapter 4 of Part 1 of Division 1 of the Public Utilities Code is~~
16 ~~repealed.~~

17 ~~SEC. 2. Part 19 (commencing with Section 40001) of~~
18 ~~Division 2 of the Revenue and Taxation Code is repealed.~~

19 ~~SEC. 3. It is the intent of the Legislature that all programs~~
20 ~~funded by the surcharge provided for in Article 10 (commencing~~
21 ~~with Section 890) of Chapter 4 of Part 1 of Division 1 of the Public~~
22 ~~Utilities Code, and in Part 19 (commencing with Section 40001)~~

- 1 of Division 2 of the Revenue and Taxation Code, be funded from
- 2 the General Fund pursuant to the annual Budget Act.
- 3 SEC. 4. This act provides for a tax levy within the meaning of
- 4 Article IV of the Constitution and shall go into immediate effect.

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